



CBS BANC-CORP

2005 SEP 20 AM 9 59

September 16, 2005

Director Johns F. Carter
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, California 94105

Dear Director Carter:

On behalf of myself, my bank, and my directors, I strongly, urge you to reject the application by Wal-Mart Stores, Inc. to charter an industrial Loan Company bank in Utah.


With the ups and downs of our economy, it is important that Community Bankers stay closely attuned to current and emerging risk issues. Statistics show the typical community bank needs to spend 3 to 5 cents more than its large-bank counter part to generate one dollar of operating revenue.

Wal-Mart Stores Inc has tried to get into the banking business by buying an ILC. The future of the community banking industry could be at stake. With a branch of Wal-Mart Bank in every store, small bankers are pleading with Congress to spare them the fate of mom-and pop hardware and variety stores, which were strangled by Wal-Mart. We have seen what they have done to Main Street America closing down numerous mom and pop stores. Main Street has numbers of empty store fronts as does many other rural towns across America. When Wal-Mart came to our town we lost several stores and we have several that are hanging by a thread and probably will eventually close.

To allow a commercial or financial firm to operate a full-service nationwide FDIC insured bank, outside the framework established by Congress raises significant safety and soundness concerns, creates an unlevel competitive playing field and poses important questions to the Congress concerning the Nations policy of maintaining the separation of Banking and Commerce.

I appreciate you allowing me the opportunity to voice my concerns.

Sincerely,


Cecil Batchelor
Chairman of the Board
CBS Banc-Corp